

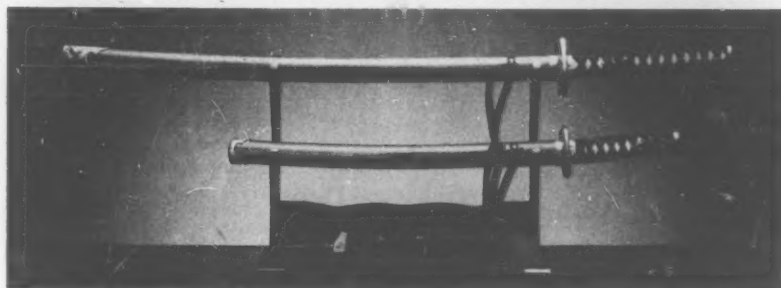
The Fifth Estate

C1750-1
7/10/87

RADIO TELEVISION CABLE SATELLITE

Broadcasting Jul 13

IT TAKES A MASTER STRATEGIST TO WIN THE RATINGS WAR



Competition for ratings in the radio business is like war. Everybody fights for the same 100 points. And one thing the *winners* have in common is the ability to plan and execute a successful strategy. This year The Research Group honors the management of ten of our client stations by electing them to the rank of Master Class Strategist. Each management team has proven itself worthy of this recognition by its outstanding performance in strategic achievement.

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KMGR-FM, Salt Lake City	WKRR-FM, Greensboro	WVEE-FM, Atlanta
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50th Year 1987
North holds audience
captive

Broadcasting Jul 13

North's televised testimony rivets nation... page 23.

Duffy sells 3 AM's, 5 FM's for \$83 million... page 72.

WCSC-TV Charleston, S.C., sold for \$60 million... page 72.

Swift puts renewal bill back on track... page 27.

NAB makes its case on campaign finance reform... page 73.

Meredith buys MMT Sales for \$40 million... page 26.

DAYTIME TV □ Media provide saturation coverage of testimony by Oliver North before congressional select committee investigating Iran/Contra arms sales connection. **PAGE 23.**

SCATTERED CONCERNS □ Explosive upfront market may bode ill for scatter market. **PAGE 26.**

CHAPTER 11 □ Media Central, TV group owner, files for bankruptcy. **PAGE 26.**

ON TRACK □ Representative Al Swift plans to push ahead with comparative renewal bill. **PAGE 27.**

EARNINGS REPORT □ Second-quarter earnings for CBS are off due to accounting of sale of KMOX-TV last year. **PAGE 28.**

SKY-HIGH RULES □ OMB clears Commerce Department's rules covering remote sensing satellites. **PAGE 28.**

METER UNMADE □ CBS-TV goes through with its decision to drop Nielsen's people meter service. **PAGE 34.**

MOVING ON UP □ Fox Broadcasting prepares to launch Saturday-night lineup amid further fine

tuning of *The Late Show*. **PAGE 38.**

COPYRIGHT DIVIDE □ Pool of money cable operators paid under copyright license is divided among claimants. **PAGE 44.**

NEW LINE □ Judge Robert Bork, nominated by President to Supreme Court, has legal history that cheers many broadcasters and journalists. **PAGE 44.**

RULE CHANGE □ House Democrat Edward Markey asks FCC to reconsider its new ex parte rules. **PAGE 47.**

CON-FIGURED □ Comsat sells two divisions to Contel for \$38 million, only remnant of what was to be \$2.5-billion merger of companies. **PAGE 48.**

SHIELD PROTECTION □ New York appeals court finds state shield law not absolute. **PAGE 51.**

DEBATE TIMES □ Commission on Presidential Debates sets dates for four 1988 campaign square-offs. **PAGE 52.**

HOT SEAT □ Kim LeMasters is back with CBS Entertainment as VP, programming, and is shooting for number one his second time around. **PAGE 71.**

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Jan. 1, 1986, with per-program agreements in effect for four years, retroactive to Jan. 1, 1987. New agreement raises annual blanket fees by 7.5%.

BMI contract has been "simplified" for blanket licenses, raising annual rates for some stations by 2% to 3%. New blanket licenses are retroactive to Jan. 1, 1987, while new per-program licenses took effect on July 1.

Committee is continuing to solicit funds from industry to pay off remaining legal and administrative debt from contract negotiations.

For television, May 5 trial date set by federal rate court in New York to establish "reasonable" ASCAP fees for blanket and program licenses for TV stations has been pushed back to October. Interim decision was handed down last winter by magistrate in Southern District for New York establishing retroactive ASCAP fees for period from April 1985 through March 31, 1988, of \$60 million (BROADCASTING, March 9). In same ruling, magistrate said music fees should not be based on station percentage-of-revenue because formula is not adequate measure of value of music rights. Ruling is subject to change, pending outcome of rate trial, but sources indicate that BMI and All-Industry Television Station Music License Committee are close to agreement on similar interim operating procedures.

Must carry. Group of cable operators, including United Cable and Daniels & Associates, have asked U.S. court of appeals in Washington to find FCC's new must-carry rules unconstitutional—violation of cable operators' First Amendment rights—just as it did old rules in summer of 1985. New rules, which are less onerous for operators than were old rules, are product of compromise between cable and broadcasting industries. Not appealing rules was Turner Broadcasting System, whose First Amendment suit was one of two that led to court outlawing old must-carry rules two years ago. In light of limited scope and duration of new rules—they're set to expire after five years—TBS said it was "unnecessary" to pursue a further judicial challenge.

In House, Representative Edward Markey (D-Mass.) has introduced bill to repeal five-year sunset provision of rules that set guidelines for cable carriage of broadcast stations. But at same time measure is on hold. It won't move until Congress deals with fairness doctrine.

People meters. A.C. Nielsen and AGB Television Research Co. are scheduled to launch people meter TV viewing measurement services in September. First on-line people meter—launched in late April in Denver—was Arbitron and SAMI-Burke's ScanAmerica. Arbitron announced three weeks ago it was postponing national launch of service, previously scheduled for September of 1988, and is buying out SAMI-Burke, Time Inc. subsidiary. Another local service is being launched in New York in September by Seattle-based R.D. Percy & Co., which will monitor both program and commercial ratings.

Nielsen has not signed any broadcast clients exclusively for its people meter service. In fact, both ABC and CBS have formally indicated to Nielsen their intention not to renew three year contracts with the ratings service this September. CBS and NBC claim service's sample base is unreliable and have requested conventional (NTI) ratings service for another season. ABC wants Nielsen to proceed with people meter, but has asked for sampling performance guarantees. Nielsen has agreed and is negotiating

money it will pay networks if it falls short of guarantees.

AGB has about 800 homes in its proposed 2,000 sample base on line (to be expanded to 5,000 by 1988). ■ ScanAmerica has signed one station in Denver market so far: KDVR-TV. All advertising agencies that buy in Denver on Arbitron are being supplied ScanAmerica numbers. ■ Percy now has about 400 homes installed in New York (out of 1,200) and has signed three stations there: WCBS-TV, WNBC-TV and WNYW-TV.

Public broadcasting. Donald Ledwig, was unanimously elected permanent president of Corporation for Public Broadcasting after serving as acting president seven months (BROADCASTING, July 6). Size of CPB board increased to eight with addition of three new members—Archie Purvis, Marshall Turner and Sheila Tate—and return of former chairman, William Lee Hanley (BROADCASTING, June 29). Former board member Harry O'Connor withdrew his nomination for second term (see "In Brief"). Confirmation of Charles Lichtenstein for one of two remaining openings has been controversial. Lichtenstein has been faulted by noncommercial system for reputedly believing that funding to CPB should be cut, but Senate source expects nomination to go through ("Closed Circuit," June 29).

Scrambling. House hearing last week on scrambling (BROADCASTING, July 6) seemed to indicate there is still congressional concern that home satellite marketplace is not working. Many members of House Telecommunications Subcommittee appeared skeptical of conclusions by FCC, NTIA and Justice Department that TVRO marketplace is competitive, particularly when dish industry continues to complain about access to programming and pricing. Bills have been introduced in Senate and House to promote fair marketing of scrambled satellite signals, but prospect for passage seems remote. Senate Communications Subcommittee is convening scrambling hearing July 31.

Summary of broadcasting as of April 30, 1987

Service	On Air	CP's	Total *
Commercial AM	4,878	170	5,048
Commercial FM	3,959	418	4,377
Educational FM	1,265	173	1,438
Total Radio	10,102	761	10,863
FM translators	1,115	766	1,881
Commercial VHF TV	543	23	566
Commercial UHF TV	467	222	689
Educational VHF TV	113	3	116
Educational UHF TV	197	25	222
Total TV	1,320	273	1,593
VHF LPTV	247	74	321
UHF LPTV	162	136	298
Total LPTV	409	210	619
VHF translators	2,981	145	3,126
UHF translators	1,998	293	2,291
ITFS	250	114	364
Low-power auxiliary	824	0	824
TV auxiliaries	7,430	205	7,635
UHF translator/boosters	6	0	6
Experimental TV	-3	5	8
Remote pickup	12,338	53	12,391
Aural STL & intercity relay	2,836	166	3,002

* Includes off-air licenses.

Space WARC. U.S. expressed qualified optimism in September 1985, following first session of two-session conference to develop plan for use of space services. However, controversy between developed and developing countries in first session prevented delegates from completing work in orderly way, with result that countries are concerned about planning for second session, in 1988. Under compromise reached, conference focused on fixed satellite services, agreeing that expansion bands associated with 6/4 hhz and 14/11-12 bands—where relatively few satellites operate—would be set aside for air allotment planning. That was intended to meet demands of developing countries for guaranteed access to orbital arc. As for heavily used C- and Ku-bands, session said "multilateral planning method" would be developed for coordinating requirements in them. U.S. had backed such MPM at session, but since has been having second thoughts.

Syndex. FCC has proposed rulemaking to reinstate rules requiring cable systems to black out syndicated programming on distant signals if it appears on local stations. Broadcast industry is chief advocate for return to syndex, along with motion picture community. FCC has extended comment deadline for syndex to July 22, with reply comments due Sept. 8. In compulsory license proceeding, comment deadline has been extended to Aug. 6, with replies due Sept. 21.

TV stereo. Seven percent of U.S. TV households have stereo receivers, although vast majority of homes are within reach of broadcast stereo station. Some 400 stations will be broadcasting TV stereo by year's end and one source puts number of cable systems carrying broadcast stereo signal at 300. Receiver penetration is expected to increase, with 37% of all TV sets and 22% of all VCR's sold to dealers and distributors this year featuring stereo, according to the Electronic Industries Association.

Unions. Some 2,800 technicians, newswriters and others struck NBC June 29. Company and National Association of Broadcast Employees and Technicians union failed to reach agreement on new contract after last four-year pact expired three months ago. Dispute centers on network's proposed increase in use of temporary employees and term of new contract. No new talks are scheduled. ■ Directors Guild of America gave Alliance of Motion Picture & Television Producers until 6 p.m. (Pacific time) Friday to respond to union's final counterproposal, which contains new residuals formula. Separate network talks were ongoing midweek. First DGA strike was possible by Sunday (July 12). Producers and directors were scheduled to meet Thursday. Ninety-six percent of guild members authorized union leadership to call strike against producers, with vote 3,294 for and 132 against. Members overrode guild leaders' recommendation for approval of concessionary contract with networks by margin of 602 to 148.

■ Also holding talks last week to settle labor walk-out were five major animation studios and several hundred members of Screen Actors Guild. Mutual Broadcasting System has agreed to new three-year contract for some 40 American Federation of Television and Radio Artists-represented editors and reporters. Contract includes 3% salary hike for on-air talent and 4% hike for editors.

Fox forges ahead with Saturday lineup

Despite problems with 'The Late Show' and less than glowing ratings, new network continues program roll-out

Life is not dull at Fox Broadcasting Co. these days. With the development of the Saturday night prime-time schedule, revisions in the format of *The Late Show*, this week's inclusion of Fox's prime time programming fare in Nielsen's three-network totals and continuing upfront negotiations with advertisers, FBC officials have their hands full.

Taking another step toward its long-term goal of becoming a fourth television network, Fox plans to have its second full night of prime time programming on the air by July 25. The programming service has ordered 13 half-hour episodes of four programs, three sitcoms and one action/adventure series, providing it with original material through September and an increased chance for sampling against network reruns.

Meanwhile, in the troubled late night area, Fox intends to introduce new elements in *The Late Show* in the next month, including short films, new acts and remote satellite feeds from night spots around the country, such as *Dangerfield's* in New York. The changes come when the program has sunk to an all time low in the ratings. Two weeks ago *The Late Show* averaged a 1.7 national rating.

Kevin Wendle, vice president of prime



'Karen's Song'

time and late night programming, who is serving as the program's acting executive producer, said he is concentrating on comedians as prospective replacements for Joan Rivers and would like to have the show "in place" by the fall with one, two or three regular hosts. Although many names have been mentioned as a possible replacement, including comedian David Steinberg, Wendle

said it's too early to narrow the field. Fox, however, is working on a deal with comedian Arsenio Hall, who has guest hosted frequently since Rivers left, to make regular appearances on the program beginning in August.

As for the new prime time roll-out, which began Saturday (July 11) with the debut of a special two-hour *Werewolf*, at 8-10 p.m., the schedule looks like this: On July 18, there will be a special one-hour episode of *The New Adventures of Beans Baxter* at 8 p.m., *Werewolf* at 9 p.m. and the debut of *Karen's Song* at 9:30 p.m. The regular schedule will be in place on July 25 with the premiere of *Down and Out in Beverly Hills* at 8 p.m., *Beans Baxter* at 8:30 p.m., *Werewolf* at 9 p.m. and *Karen's Song* at 9:30 p.m. Most of the programs are in the can, which could mean that Fox will avoid problems this summer in the event of a strike by the Directors Guild of America.

Fox also hopes to build up a substantial audience on Sundays during the summer, despite the fact that *21 Jump Street*, *Married... With Children* and *Duet* are already in repeats. There is one original episode left of *Tracey Ullman* and two remaining for *Mr. President*, which Fox officials renewed last week. Most of the production difficulties so far have been with *Mr. President*. FBC officials admit the quality of the show suffered initially because it was rushed into produc-

NBC wins; ABC takes second

NBC won the prime time week (ended July 5) with an 11.9 rating and a 23.8 share. ABC came in second, with a 9.7/19.3, followed by CBS's 9.2/18.4. A year ago ABC won the week with a 13.9/27 over NBC's 11.9/23 and CBS's 9.5/18.

NBC took the evening news race with a 9.7/22, and CBS came in second with a 9.5/22. ABC scored a 9.1/20. Last year ABC won the weekly news race with a 9.9/22. At that time CBS came in second with

a 9.4/21, while NBC finished with a 9.2/21.

The current standings for the summer season puts NBC on top with a 13.8/25 over CBS's 12.0/22 and ABC's 10.7/19. Last year the summer season standings were NBC 13.8/25, ABC 12.3/22 and CBS 11.9/22.

For the ratings week ended July 5, NBC took four nights in a row, Thursday through Sunday while CBS took two nights, Monday and Wednesday, and ABC took Tuesday.

Rank □ Show □ Network □ Rating/Share

1.	Cosby Show	NBC	20.0/41
2.	Family Ties	NBC	19.5/36
3.	Growing Pains	ABC	17.0/30
4.	Cheers	NBC	16.7/32
5.	Designing Women	CBS	16.0/27
6.	Who's the Boss?	ABC	15.6/30
7.	60 Minutes	CBS	15.5/33
8.	Equalizer	CBS	15.3/28
9.	Moonlighting	ABC	15.3/27
10.	Newhart	CBS	15.1/26
11.	Sunday Night Movie	NBC	14.6/27
12.	Molly Dodd	NBC	14.4/27
13.	Valerie	NBC	14.2/27
14.	Matlock	NBC	14.1/26
15.	L.A. Law	NBC	13.9/26
16.	Cagney & Lacey	CBS	13.9/25
17.	Monday Night Movie	NBC	13.6/24
18.	Spenser: For Hire	ABC	13.5/24
19.	Alf	NBC	13.2/26
20.	Tuesday Movie of the Week	NBC	12.8/23
21.	Head of the Class	ABC	12.7/24

Rank □ Show □ Network □ Rating/Share

22.	Perfect Strangers	ABC	12.6/25
23.	Miami Vice	NBC	12.5/27
24.	My Sister Sam	CBS	12.3/23
25.	20/20	ABC	12.3/23
26.	Kate & Allie	CBS	12.2/24
27.	Magnum, P.I.	CBS	11.3/20
28.	Rags to Riches	NBC	11.1/22
29.	MacGyver	ABC	11.0/20
30.	Night Court	NBC	11.0/19
31.	Sunday Night Movie	ABC	10.7/20
32.	Golden Girls	NBC	10.5/27
33.	Facts of Life	NBC	10.5/19
34.	Crime Story	NBC	10.4/23
35.	Sunday Movie	CBS	10.4/20
36.	Hunter	NBC	10.3/26
37.	Hotel	ABC	10.0/18
38.	Mr. Belvedere	ABC	9.7/22
39.	Mike Hammer	CBS	9.7/19
40.	Highway to Heaven	NBC	9.2/18
41.	Aman	NBC	9.1/23
42.	Monday Night Baseball	ABC	9.1/17

Rank □ Show □ Network □ Rating/Share

43.	Sledge Hammer	ABC	9.0/22
44.	Thursday Movie	CBS	8.9/15
45.	Star Spangled Celebration	ABC	8.2/21
46.	Tuesday Movie	CBS	8.2/15
47.	Our House	NBC	7.8/17
48.	227	NBC	7.7/21
49.	Me & Mrs. C	NBC	7.7/20
50.	Scarecrow & Mrs. King	CBS	7.7/19
51.	Friday Night Movie	ABC	7.6/16
52.	Stingray	NBC	7.5/18
53.	Hard Copy	CBS	7.4/16
54.	Movie Special	ABC	6.9/14
55.	Heart of the City	ABC	6.8/13
56.	News Special	NBC	6.7/12
57.	Our World	ABC	5.8/12
58.	Dallas	CBS	5.6/12
59.	Wizard	CBS	5.3/10
60.	Summer Playhouse	CBS	5.2/12
61.	Saturday Movie	CBS	4.1/11
62.	West 57th	CBS	4.1/10

*indicates premiere episode